

MEETING OF THE BOARD OF CITY COMMISSIONERS

August 4, 2020

On August 4, 2020, at 8 a.m. the Board of City Commissioners met in the Tom Baker Meeting Room of the City/County Building, located at 221 N. 5th St. in Bismarck, N.D. This special meeting was held to finalize the 2021 Budget and to discuss the allocation of revenue and other financial matters.

Those present included: Commissioner Guy, Commissioner Splonskowski, Commissioner Zenker, Commissioner/Budget Committee Representative Marquardt, Mayor Bakken, City Administrator Keith Hunke, Assistant City Administrator Jason Tomanek, Attorney Jannelle Combs and representatives from several City departments were also in attendance. Finance Director, Dmitriy Chernyak, participated via Zoom.

During Public Comment, Hilary Balzum, the Administrative Assistant for the Community Development Department and a member of the Employee Representative Committee, stated that on behalf of the Committee, they wanted to thank the Budget Committee and City Commission for looking at so many options regarding Budget 2021. In addition, she requested the Commission keep in mind that many City employees are Bismarck residents and would be affected by any tax increase decided by the Commission. She also expressed how the Committee felt a salary increase, of 3 percent for employees, was justified.

Gale Nicholson, a Senior Administrative Assistant at Public Works Service Operations, asked the Commission to support the staff, their benefits and the need for a salary increase as they voted today.

Commissioner Marquardt reviewed the recommendations the City Commission approved on at the July 28, 2020 City Commission Meeting including to:

1. Approve the 2021 budget appropriations for the General Fund, Special Revenue Funds, and Debt Service Funds, as listed in this memo and attached.
2. Approve the 2021 General Fund base budget worksheet.
3. Approve the 2021 Priority Initiatives recommended by the Budget Committee.
4. Approve the 2021 Capital Improvement Projects (CIPs) recommended by the Budget Committee.
5. Approve the 2021 Fees and Charges recommended by the Budget Committee.
6. Approve the 2021 3% salary increase.
7. Approve the 2021 mill levy at 68.85 mills at a taxable value of \$404,442.

Commissioner Marquardt moved to finalize all items listed. Commissioner Guy seconded his motion.

Commissioner Zenker stated he did not have a problem of the salary increase but wanted to scale back on the specials assessments and that he felt the mill increase was too much for this year.

Commissioner Splonskowski, stated his concerns with moving forward with the recommendations. He said he does not think that this will get fixed in one or two years, and that raising the mills to the proposed amount was too big of a jump at this time.

Mayor Bakken stated that he was not happy about raising property tax, but felt that it was the Commission's job to ensure the mill levy gap is fixed while the current administration is in office. Mayor Bakken stated he felt comfortable with the methodology behind Budget 2021, and acknowledged that this process was essential for sustaining City services.

Commissioner Guy stated she agrees with the Mayor. She then stated that she felt the City has continuously relied on funding from outside entities, such as federal and state funds, and that the City should be more self-reliant to sustain City services.

Mayor Bakken asked Director Chernyak to present what the mill difference was between a 2.75 salary raise, the minimum amount recommended by the Condrey Study, versus a 3 percent salary raise, purposed in the recommendations. Director Chernyak stated it would be about a .19 mill difference, approximately \$76,000.

Upon a roll call vote, Commissioner Marquardt, Guy and Mayor Bakken, aye. Commissioner Zenker and Splonskowski, nay. M/C.

The Commission then considered the request for allocations of revenue and other financial matters for the 2021 Budget. These included to:

- Approve a one-year extension of the CVB contract to the end of 2021 and maintain the allocation of the hotel / motel tax revenue at 75% to the CVB and 25% to the City's Event Center.
- Approve the car rental tax allocation of 25% to the Airport and 75% to the Event Center.
- Approve a \$1 per ton increase in solid waste hauling fee charged by the Roads and Streets Fund to the Solid Waste Disposal Fund for roads and streets maintenance.
- Approve the continued payment of \$12,000 from the liquor, lodging and restaurant tax fund to the Bismarck-Mandan Symphony Orchestra for the professional fireworks display on July 4, 2021.

Commissioner Marquardt moved to approve each bulleted item as presented. Commissioner Zenker seconded it. Upon a roll call vote, all voted aye. M/C.

The meeting was adjourned at 8:29 a.m.